

Frequently Asked Questions

149th General Assembly, House Substitute 1 for House Bill 275,

Section 24 regarding Double State Share (DSS) Changes

Section 24 of this legislation can be found at

<http://legis.delaware.gov/BillDetail?LegislationId=26205> . The FAQs below reflect the impact of this legislation relative to Double State Share.

Double State Share is a benefit available **ONLY** to two State of Delaware employees and/or State of Delaware pensioners who were both employed (in a benefit eligible position) by or retired (receiving a pension check) from the State of Delaware prior to January 1, 2012 **AND** were married to one another prior to January 1, 2012. In order to maintain eligibility for DSS, the two individuals must both be employed in a benefit eligible State of Delaware position and/or be retired (receiving a pension check) from the State of Delaware **AND** continue to be married to one another. Two individuals who qualify for double state share may pay less monthly for their health plan coverage (medical and prescription only) than other State of Delaware employees and/or State of Delaware pensioners.

1. When will the changes outlined in this Section take effect?

The changes will take effect on January 1, 2018.

2. Does this Section change the eligibility to qualify for Double State Share?

No, the eligibility established in House Bill 81 passed in 2011 has not been changed. Any employee or pensioner eligible for Double State Share prior to the passage of this Section will remain eligible as long as they remain married to each other and are both benefit eligible employees or pensioners.

3. What are the Double State Share rates effective January 1, 2018?

The rate chart effective January 1, 2018 can be found at <http://ben.omb.delaware.gov/dss/index.shtml>.

4. What will it cost for the selected health plan for couples where both are active benefit eligible employees?

For couples where both are active benefit eligible employees, the cost for the selected health plan will be 50% of the employee share of the monthly premium or \$25 per month, whichever is greater. If the couple chooses separate health plans, then *each* will be charged 50% of the selected plan's monthly premium or \$25 per month, whichever is greater.

5. What will it cost for the selected health plans for couples where one is an active employee and one is a non-Medicare eligible pensioner?

If the couple enrolls in one health plan under the active employee, the cost for the selected health plan will be 50% of the employee share of the monthly premium or \$25 per month, whichever is greater. If the couple chooses separate health plans, then *each* will be charged 50% of the selected plan's monthly premium or \$25 per month, whichever is greater.

6. What will it cost for the selected health plans for couples where one is an active employee and one is a Medicare eligible pensioner?

If the couple enrolls in one health plan under the active employee, the cost for the selected health plan will be 50% of the employee share of the monthly premium or \$25 per month, whichever is greater.

If the couple chooses separate health plans, the active employee will be charged 50% of the selected plan's monthly premium or \$25 per month, whichever is greater. The Medicare eligible pensioner's cost for the Medicare supplement plan with or without prescription will depend upon date of retirement as follows:

- If the Medicare eligible pensioner retired on or before July 1, 2012, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$0;
- If the Medicare eligible pensioner retired after July 1, 2012 and before July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$25 or 5% of the cost of the total monthly premium, whichever is less; and,
- If the Medicare eligible pensioner retired on or after July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be 50% of the pensioner share of the total monthly premium or \$25 per month, whichever is greater. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension credible state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

7. What will it cost for the selected health plan for couples where both are non-Medicare eligible pensioners?

Regardless of date of retirement, for couples where both are non-Medicare eligible pensioners, the cost for the selected health plan will be 50% of the pensioner share of the

monthly premium or \$25 per month, whichever is greater. If the couple chooses separate health plans, then *each* will be charged 50% of the selected plan's monthly premium or \$25 per month whichever is greater.

8. What will it cost for selected health plan for couples where both are Medicare eligible pensioners and retired on or before July 1, 2012?

For couples where both are Medicare eligible pensioners and both retired before July 1, 2012, the cost for the Medicare supplement plan with or without prescription will be \$0.

9. What will it cost for selected health plan for couples where both are Medicare eligible pensioners and both retired after July 1, 2012 and before July 1, 2017?

For couples where both are Medicare eligible pensioners and both retired after July 1, 2012 and before July 1, 2017, the cost for the Medicare supplement plan with or without prescription will be \$25 or 5% of the pensioner share of the total monthly premium, whichever is less. If the couple chooses to be enrolled in separate plans under each Pensioner ID, then *each* one will be charged \$25 or 5% of the pensioner share of the Medicare supplement plan with or without prescription total monthly premium, whichever is less.

10. What will it cost for selected health plan for couples where both are Medicare eligible pensioners and one or both retired on or after July 1, 2017?

For couples where both are Medicare eligible pensioners and one or both retired on or after July 1, 2017, the cost for the Medicare supplement plan with or without prescription will be dependent upon the date of retirement of the spouse who retired first. This assumes both spouses are enrolled under the Pensioner ID of the spouse who retired first.

- If the spouse who retired first retired on or before July 1, 2012, the cost for the Medicare supplement plan with or without prescription will be \$0 for both spouses.
- If the spouse who retired first retired after July 1, 2012 and before July 1, 2017, the cost for the Medicare supplement plan with or without prescription will be \$25, or 5% of the cost of the total monthly premium, whichever, is less. This will be charged to the spouse who retired first only.
- If the spouse who retired first retired on or after July 1, 2017, the cost for the Medicare supplement plan with or without prescription will be 50% of the pensioner share of the total monthly premium or \$25 per month, whichever is greater. This will be charged to the spouse who retired first only. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension creditable state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the

pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

If the couple chooses to be enrolled in separate plans under each Pensioner ID, then ***each*** one will be charged based on their respective retirement dates:

- For the Medicare eligible pensioner who retired on or before July 1, 2012, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$0;
- For the Medicare eligible pensioner who retired after July 1, 2012 and before July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$25 or 5% of the cost of the total monthly premium, whichever is less; and,
- For the Medicare eligible pensioner who retired on or after July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be 50% of the pensioner share of the total monthly premium or \$25 per month, whichever is greater. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension credible state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

11. What will it cost for selected health plan for couples where one is a Medicare eligible pensioner and one is a non-Medicare pensioner?

Regardless of date of retirement, for couples where one is a Medicare eligible pensioner and the other is a non-Medicare eligible pensioner and the couple chooses to be enrolled under one Pensioner ID, the non-Medicare pensioner cost for the selected health plan will be 50% of the pensioner share of the total monthly premium or \$25 per month, whichever is greater.

If the couple chooses to be enrolled in separate plans under each Pensioner ID, then **each** pensioner will be charged as follows:

- If the Medicare eligible pensioner retired on or before July 1, 2012, the non-Medicare pensioner cost for the selected health plan will be 50% of the pensioner share of the monthly premium or \$25 per month, whichever is greater and the Medicare pensioner will be charged \$0 for the Medicare supplement plan with or without prescription;
- If the Medicare eligible pensioner retired after July 1, 2012 and before July 1, 2017, the non-Medicare pensioner cost for the selected health plan will be 50% of the pensioner share of the monthly premium or \$25 per month, whichever is greater and the Medicare pensioner will be charged \$25 or 5% of the cost of the Medicare supplement plan with or without prescription, whichever is less;

- If the Medicare eligible pensioner retired on or after July 1, 2017, the non-Medicare pensioner cost for the selected health plan will be 50% of the pensioner share of the monthly premium or \$25 per month premium, whichever is greater and the Medicare pensioner will be charged \$25 or 50% of the pensioner share of the Medicare supplement plan with or without prescription, whichever is greater. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension credible state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

12. As a follow up to question 11, what will it cost for selected health plan for the spouse who is retired but not yet Medicare eligible as of July 1, 2017 when that spouse becomes Medicare eligible?

When that spouse becomes Medicare eligible the cost for the Medicare supplement plan with or without prescription will be dependent upon the date of retirement of the first spouse provided they are both enrolled under the Pensioner ID of the spouse who retired first.

- If the first spouse retired on or before July 1, 2012, the charge for the Medicare supplement plan with or without prescription will be \$0.
- If the first spouse retired after July 1, 2012 and before July 1, 2017, the charge for the Medicare supplement plan with or without prescription will be \$25 or 5% of the cost of the plan, whichever is less.
- If the first spouse retired on or after July 1, 2017, the charge for the Medicare supplement plan with or without prescription will be \$25 or 50% of the pensioner share of the plan, whichever is greater. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension credible state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

If the couple chooses to be enrolled in separate plans under each Pensioner ID, then each one will be charged based on their respective retirement dates:

- For the Medicare eligible pensioner who retired on or before July 1, 2012, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$0;
- For the Medicare eligible pensioner who retired after July 1, 2012 and before July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be \$25 or 5% of the cost of the total monthly premium, whichever is less; and,
- For the Medicare eligible pensioner who retired on or after July 1, 2017, the Medicare pensioner cost for the Medicare supplement plan with or without prescription will be 50% of the pensioner share of the total monthly premium or \$25 per month, whichever is greater. Currently, Medicare eligible pensioners who retired after July 1, 2012 and who have earned 20 years of pension creditable state service pay 5% of the cost of the total monthly premium for the Medicare supplement plan which is less than \$25 per month. In the event the pensioner share is less than \$25, the Medicare pensioner will be charged the 5% of the cost of the total monthly premium for the Medicare supplement plan with or without prescription.

13. Will I be able to change my health plan election due to this change in the cost to me?

Yes, due to the change in cost for health coverage to you, changes can be made during the special enrollment period from November 1 through November 17, 2017.

This special enrollment does not allow for a change in coverage to a more expensive plan or to add dependents, including spouse, who are not currently enrolled in a DSS health plan. DSS employees and/or pensioners have the option to be enrolled in one health plan or in separate health plans. Dependents, including spouse, cannot be enrolled in more than one health plan.

14. Will an employee hired into a non-benefit eligible position prior to January 1, 2012 and married to another benefit eligible employee or pensioner be eligible to receive DSS if a transfer to a benefit eligible position occurs on or after January 1, 2012?

No. Both individuals must either work in a benefit eligible position and/or be a benefit eligible pensioner prior to January 1, 2012 and married prior to January 1, 2012 to be eligible to receive DSS.

15. Is an employee hired into a benefit eligible position after January 1, 2012 eligible for DSS if the employee is married to another benefit eligible employee or pensioner prior to January 1, 2012?

No. An employee hired into a benefit eligible position on or after January 1, 2012 is not eligible to receive DSS.

- 16. If an employee and spouse are eligible to receive DSS after January 1, 2012 and both individuals are either actively employed in a benefit eligible position and/or a pensioner in the State Employee Pension Plan, Closed State Police Pension Plan, New State Police Pension Plan and Judges Pension Plan will the individuals continue to be eligible for DSS upon one or both of their retirements from state employment?**

Yes. As long as both individuals remain either working in a benefit eligible position and/or are a benefit eligible pensioner in the corresponding pension plan and continue to be married to one another, both individuals will continue to be eligible for DSS.

- 17. When an employee enrolled in a DSS plan is charged the 50% of the employee share of the monthly premium or \$25 per month whichever is greater, is this taken on a pre-tax or after-tax basis for state and federal taxes?**

When an employee pays the 50% of the employee share of the monthly premium or \$25 per month fee, it is taken on a pre-tax basis for both state and federal taxes. Benefit deductions for pensioners are taken on an after tax basis in accordance with Internal Revenue Service regulations.

- 18. If an employee, receiving DSS prior to December 31, 2011, resigns or goes on unpaid leave, when the employee returns from unpaid leave or to a benefit eligible State position after January 1, 2012, is the employee eligible to receive DSS upon his/her return to active paid employment?**

Yes. Upon the employee's return to active paid status in a benefit eligible position, DSS shall be reinstated provided the employee is married to the same spouse, who is also a benefit eligible State employee or pensioner at the time of the return to active paid State service.

- 19. If two benefit eligible pensioners who are married and receive DSS and one spouse becomes deceased, does the surviving spouse continue to receive the benefit of DSS?**

Yes. The surviving spouse will continue to receive DSS. If the surviving spouse remarries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

20. If two benefit eligible employees are married and receive DSS and one spouse becomes deceased, will the surviving benefit eligible employee continue to receive the benefits of DSS?

Yes. The surviving spouse will receive a survivor's pension and will continue to receive DSS. If the surviving spouse who is an active employee re-marries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

21. If two benefit eligible employees are married and receive DSS, but only one is pension eligible and the pension eligible employee becomes deceased does the surviving employee receive DSS?

Yes. The surviving spouse will continue to receive DSS. If the surviving spouse who is an active employee re-marries, he/she can keep DSS unless the surviving spouse wishes to cover the new spouse, then the surviving spouse will not receive DSS and will be charged the applicable employee/pensioner amount for the health plan he/she enrolls in with the spouse. The loss of DSS will be permanent and cannot be reinstated even if the new spouse is later disenrolled from the health plan.

22. If two benefit eligible employees are married and receive DSS, but only one is pension eligible and the non-pension eligible employee becomes deceased does the surviving employee receive DSS?

No. The surviving spouse would not receive DSS.

23. If an active employee currently receiving DSS retires, will the Pension Office know that employee is enrolled in DSS which should continue into retirement?

The Pension Office may not be aware that the employee is receiving DSS at the time of retirement and health plan enrollment as a retiree. If you are an active employee currently receiving DSS, please let the Pension Office know when you complete your Pension paperwork.

NOTE: Information on each benefit program, Open Enrollment, and the Eligibility and Enrollment Rules are available at <http://ben.omb.delaware.gov>.

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